THE MINISTER OF COMMERCE AND INDUSTRY (SHRI. MURASOLI MARAN): (a) and (b) Anti-dumping investigations are carried out in India under Sections 9A, 9B and 9C of the Customs tariff (Identification, Assessment and Collection of Anti-dumping duty on dumped articles for determination of injury) Rules.

The total number of anti-dumping cases filed during the last three years is 77 (1997 to date).

The year-wise and country-wise break-up of the cases filed is given at Annexure-[See Appendix 189, Annexure No. 81]

(c) and (d) The total number of cases upto 18th April'2000 wherein the Designated Authority for Anti-Dumping and Allied Duties has recommended Anti-dumping duties, (definitive or provisional) or where investigations have been initiated are given in the Annexure-[See Appendix 189, Annexure-No. 81]

Export of Gems and Jewelleries

3104. SHRI ANANTA SETHI : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) Whether there is a vast scope for exporting gems and jewelleries from the country;

(b) if so, the steps taken in that regard during the last three years; year-wise; and

(c) The steps taken to increase the export of gems and jewelleries ?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) yes, sir.

(b) and (c) The year-wise details of important Policy Initiatives taken to increase the export of gems and jewellery are as under:

Policy Initiatives taken during the year 1997-98

(i) With a view to increase the supply of gold to the exporters, Reserve Bank of India (RBI) authorised banks were permitted to import and supply gold/silver to the jewellery exporters on furnishing a bank guarantee towards the Custom duty liability,

(ii) permission for exports through third party in order to encourage the small manufacturers to export,

(iii) Permission to Export Oriented Units (EOUs)/Export Processing Zone (EPZ) units to sell 10% of the value of the export of the preceding year in Domestic Tariff Area (DTA) on payment of concessional rate of duty,

(iv) Permission to EOU/EPZ units to supply unsuitable/broken cut and polished diamonds, rough diamonds, precious and semi-precious stones, upto 5% of the value of the imported or indigenously procured goods to DTA against the valid Replenishment/Gem Replenishment/Diamond Imprest Licence as applicable on payment of appropriate duty,

(v) Permission to EOU/EPZ units to exchange gold chains on quantity basis with the DTA units. This provision has however been subsequently amended. As on date the EOU/EPZ units have the facility to receive plain gold/silver/platinum jewellery from the DTA units in exchange of equivalent quantity of gold/silver/platinum,

(vi) Exemption from levy of sale tax by the State Government of Maharashtra on supply of gold by specified agencies for export. Many other State Governments have also reduced the incidence of sales tax on the supply of gold for exports.

Policy Initiative taken during the year 1998-1999

(i) Permission for establishment of Private/Public Bonded Warehouses in EPZ/DTA for import supply and re-export of rough diamonds and rough precious and semi-precious stones. Besides the above, import and re-export of cut and polished diamonds, precious and semi-precious stones was also permitted subject to the achievement of minimum value addition of 5%.

(ii) Permission to overseas companies with branch offices in India and with an average annual turnover in diamonds of not less than Rupees 150 crores during the preceding three licensing years to obtain bulk licence for impost and sale of rough diamonds,

(iii) Reduction in the threshold limit for zero duty imports under the Exports Promotion Capital Goods (EPCG) scheme from the earlier level of Rs. 20 crores to Rs. 1 crore only. With effect from 1st April 2000, Capital Goods have been permitted to be imported at 5% Custom duty subject to an export obligation equivalent to 5

times CIF value of capital goods on FOB basis or 4 times the CIF value of capital goods on Net Foreign Exchange (NFE) basis to be fulfilled over a period of 8 years reckoned from the date of issuance of licence,

(iv) Modification in the wastage norms for gold/silver/platinum jewellery and articles by way of linking them up with the type and category of jewellery as against the earlier linkage to the value addition ,

(v) Extension of the Replenishment Licence scheme to platinum and silver jewellery also,

(vi) Permission for personal carriage of samples of jewellery up to US $ 1,00,000 for export promotion tours. With effect from 1st April 2000, sale of jewellery when taken on export promotion tour has also been permitted,

(vii) Permission for personal carriage of jewellery by foreign buyers from EOU/EPZ units. This scheme has further been modified, With effect from 1st April 2000 personal carriage of gems and jewellery parcels, from all EPZ units/ EOU/DTA units by all foreign Bound Passengers departing from Delhi, Calcutta, Mumbai and Chennai airports, has been permitted.

Policy Initiatives taken during the year 1999-2000

(i) Provision for issuance of Diamond Imprest Licence to the status holders upto 5% of the export performance of the preceding year of cut & polished diamonds, for import of cut & polished diamonds for subsequent exports subject to achieving value addition of 10%.

(ii) Permission to EOU/EPZ units to import plain gold/silver/platinum jewellery for repairs/remake and subsequent export subject to earning a minimum Net Foreign Exchange Earning as a percentage of Exports (NFEP) of 7.5%. With effect from 1st April 2000 the above scheme has been extended to studded jewellery also with a NFEP of 12.5%.

(iii) Permission for export of gems and jewellery items by courier from selected ports upto a value of Rs. 20 lacs per consignment .With effect from 1st April 2000, export through Speed Post has also been permitted,

(iv) Permission for duty free import of consumables required by the jewellery and diamond processing industries to the extent of 1% of the FOB value of gems and jewellery exports in the preceding year. With a view to simplify the scheme/procedure, issuance of a separate Replenishment Licence has been provided with effect from 1st April 2000 for duty free import of consumables.

Policy Initiatives announced with effect from 1st April, 2000

(i) Permission to firms and companies dealing in the purchase/sale of rough or cut and polished diamonds with a track record of at least three years in import or export of diamonds and having an average annual turnover of Rs.5 crore or above during the preceding three licensing years to carry out their business through designated Diamond Dollar Accounts (DDAs). Such DDAs will operate under the existing licensing scheme of chapter 8 of Exim Policy,

(ii) Permission to foreign buyers to supply directly gold/silver/platinum and also plain semi-finished gold/silver/platinum jewellery to the status holders in India for manufacture and export of gold/silver/ platinum jewellery,

(iii) Doing away with the necessity of co-relation of every export consignment with the corresponding import consignment in EPZ units,

(iv) Permission for personal carriage of gems and jewellery import parcels by an Indian Importer/Foreign National,

(v) Wastage of 2.5% has been allowed in case imported gold/silver/ platinum mountings are used in studded jewellery,

(vi) Permission for duty paid import of plain/studded jewellery items under Replenishment Licence to the extent of 2.5% of the FOB value of exports of the preceding year,

(vii) Rationalisation of definition of gold/silver/platinum jewellery/ articles and prescription of value addition and wastage norms for articles like medallions etc.,

(viii) Permission to import and supply platinum of 0.900 finaness,

(ix) Custom duty on platinum and cut and polished diamonds has been reduced to 15%.